# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:5020
ANSWERED ON:16.12.2016
Incentives to Industry Post Demonetisation
Sreeramulu Shri B.

**Will the Minister of FINANCE be pleased to state:**

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UN STARRED QUESTION NO. 5020
TO BE ANSWERED ON 16TH DECEMBER 2016/25TH AGRAHAYANA SAKA, 1938
INCENTIVES TO INDUSTRY POST DEMONETISATION

5020. SHRI B. SRIAMULU:

QUESTION
Will the Minister of FINANCE be pleased to state:
(a) whether the Government has received suggestion/feedback from business councils and forums for measures to facilitate various industries during the transition period of the demonetisation exercise;
(b) if so, the details thereof;
(c) whether the Government proposes to cut excise duty to reduce prices in order in increase demand, encourage cost cutting measures and provide interest subsidies to retain the competitiveness of the industrial sector and if so, the details thereof;
(d) whether the National Institute of Public Finance and Policy (NIPFP) has indicated that demonetisation could lead to a contraction of economic activity; and
(e) if so, the reaction of the Government thereto along with steps being taken to boost-up industry sector during the demonetisation exercise?

## Answer

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) & (b): On the basis of feedback/suggestions received from various quarters, various steps have been/are being taken by Government from time to time, the information regarding which is available at finmin.nic.in. The situation after the cancellation of legal tender character of old denomination banknotes is being regularly monitored in the Government.

(c): At present, there is no such proposal for reduction in excise duty.

(d): As per information obtained from NIPFP, they have not indicated any official opinion on this matter.

(e): Does not arise.

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